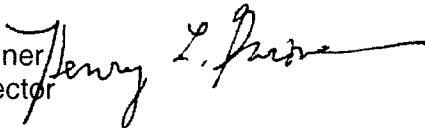


## M E M O

Date: March 3, 2010

To: Executive Board

From: Henry L. Gardner  
Executive Director



Subject: **Executive Director's Report**

**State Budget**

As of March 4th the Senate and Assembly approved on a party line vote the transportation proposal put forth by the Legislature. The proposal does not include two previous provisions that had received a lot of attention: delaying the implementation of certain business tax breaks that would have resulted in more revenues next fiscal year; and the provision to allow MPOs to levy a regional fuel fee to fund transit, bicycle, and pedestrian projects. Eliminating the fuel fee, which would require majority voter approval, removes a potentially significant source of funds for local governments and transit agencies that are proposing projects to support the goals of SB 375, the Sustainable Communities Strategy, and AB 32. Voter approval of such a fee may have been a challenge, but not having the ability for the voters to decide that, makes all of our work more difficult.

The Governor's May Revise Budget will be the most up-to-date estimate by the Finance Department of the State budget deficit. The State is currently receiving approximately \$1 billion more each month since January than estimated. If this trend continues, the deficit should shrink considerably, relieving some of the pressure on massive reductions of social services.

**Legislation for Regional Authority to Levy Vehicle Registration Fee**

Staff is continuing to pursue legislation that would authorize, by majority voter approval, a vehicle registration fee of up to \$4 to support planning and grants related to SB 375 (Sustainable Communities Strategy) and AB 32. This proposed legislation would generate approximately \$24 million a year, with half the amount available for ABAG and MTC to implement SB 375 and AB 32, and half available to cities and counties and congestion management agencies. This proposed legislation addresses the issue the Governor raised in his veto message of SB 406 by submitting the fee proposal to the voters. We are currently seeking an author for the legislation.

**Inter-Regional Coordination**

MTC and ABAG have joined four other regions in exploring ways to coordinate their efforts and strategies in implementing SB 375: SACOG (Sacramento region), SANDAG (San Diego region), SCAG (Southern California region) and the San Joaquin region. The large metropolitan regions share a lot in common in addressing housing, employment and environmental issues, and the San Joaquin region plays a critical role

in interfacing with the four metropolitan regions. We have begun to identify areas where we may be able to share resources and leverage off of each other's experiences and opportunities. We believe this can lead to more effective planning and possibly cost savings by eliminating duplicative analysis and research.

### **Construction Stormwater Workshops**

Over the last three months, the San Francisco Estuary Partnership has teamed with the Water Board, Santa Clara Valley Urban Runoff Pollution Program, the San Mateo Countywide Water Pollution Prevention Program, and Marin County Stormwater Pollution Prevention Program to provide Construction Stormwater Workshops. During the workshops, attendees were instructed on appropriate best management practices to manage construction storm water discharges and the requirements in the new general construction permit issued by the State Board on September 2, 2009. The workshops were held in Brisbane on December 3rd, San Rafael on December 10th, Cupertino on January 19th, San Jose on January 20th, and Oakland on January 23rd. In addition, a fifth workshop is being organized for Contra Costa County in mid-March.

Attendees included 296 municipal staff (inspectors, public works, parks departments, and water districts), 24 consultants, 14 Water Board staff, 10 Navy staff, and 6 developers. After the workshops this year, the success of the workshops will be evaluated and recommendations for improving the workshops will be provided. Given the mandatory training requirements in the new general construction permit and high attendance by municipal staff, SFEP staff will focus on identifying opportunities to provide municipal staff with low cost training equivalent to the mandatory training in the new general construction permit.

### **ABAG POWER**

ABAG has received notice that its funding application to the California Energy Commission (CEC) for the State Energy Program has been preliminarily approved for \$10,750,000. This is a two year program that will promote energy efficiency retrofits in residential buildings in the Bay Area, and is expected to have the following impacts:

- Number of jobs created: 1,739;
- Number of single family homes retrofitted: 15,000;
- Number of multifamily homes retrofitted: 2,000;
- Reduction of annual purchased energy consumptions: 390 billion BTUs (\$6.7 million);
- Total economic impact (\$ spent): \$170,750,000.

In addition to region-wide activities (e.g., marketing, web site, call center), approximately \$9.5 has been allocated to individual Bay Area counties for specific programs in their areas. ABAG expects to negotiate a contract with the CEC in March, and we expect to complete initial market research and program design by May 1st.

### **ABAG Financial Services**

Financings delivered by ABAG and its affiliated entities since my last report include:

- \$54,310,000 of State of California-Insured Revenue Bonds on behalf of San Diego County for Casa de Las Campanas, a multi-level retirement facility;

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- \$9,920,000 in Freddie Mac-Guaranteed Variable Rate Demand Multifamily Housing Revenue Refunding Bonds on behalf of Alameda County for the Acton Courtyard Apartments Project in the City of Berkeley;
- \$3,200,000 in Freddie Mac-Guaranteed Variable Rate Demand Multifamily Housing Revenue Refunding Bonds on behalf of Alameda County for the ARTech Building Apartments Project also in Berkeley; and,
- A Capital Lease for the Town of Moraga to facilitate the Town's delivery of \$1,525,000 in Certificates of Participation.

